

## Drummond Industries Inc.

mécano soudure drummond Itée - drummond welding & steel works Itd.

700 Talon, Longueuil, QC, Canada J4G 1P7 Tél.: (514) 526-4411 -1 (800) 361-5050 - Fax: (514) 738-1313

February 23, 2000

Mr. Vernon a. Williams, Secretary Surface Transportation Board Office of the Secretary Case Control Unit

Attn: STB Ex Parte No. 582 1925 K Street, N. W.

Washington, D.C. 20423-0001

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Office of the Secretary
FEB 28 2000

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Public Record



Subject:

"BNSF/CN, 08 March 2000 STB Hearing"

## Dear Sir:

Our firm is a major fabricator of refining equipment for the chemical and petro-chemical industries of North America. As such, we ship for almost CDN \$ 25,000,000 worth of large and over-sized equipment throughout North America, by various transportation means. We also procure raw material, such as steel plates or vessel heads, from various suppliers in the United States and Canada.

Our optimal transportation method will always be the railroad. We have a direct access to the rail system of the CN in our fabrication shop, and such large shipments always travel more safely on rails than on highways.

However, we are still suffering from the fragmented nature of the rail system of North America. Excellent American suppliers cannot ship economically to our plant because they have to use a complex and expensive web of small rail networks, and we cannot access markets where we could offer competitive pricing because of the same hurdle. The cost of using a fragmented railway system is not the only deterrent to more active competition. The fragmented networks are complex to synchronise and terribly slow to respond to our requests for special transportation, making many business transactions impossible.

We feel it is urgent that the rail system of America be consolidated. We think that with an integrated rail solution to our transportation needs, our competitiveness, the competitiveness of our American suppliers, and the overall volume of business transiting trough the rail system of our continent will increase dramatically. We view the potential transaction between CN and BNSF with great enthusiasm. We are hopeful that the transaction can go through quickly, for the greatest benefit of an even more active and competitive North American marketplace.

Yours truly,

Louis-André Lacasse

President



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